

The team (JunHe) is a full-service firm with notable strength in cross-border M&A and financing transactions. Recommended for its work on behalf of real estate developers, funds and investors from China and overseas.

—Chambers Greater China Region

## Real Estate Equity Mergers and Sales

**“Equity Merger” is the most commonly used real estate acquisition model in the market. It is widely accepted and often applied by market players as it has the significant advantage in terms of minimizing tax.**

JunHe’s real estate and construction team has vast experience in the field of real estate equity mergers. Our lawyers provide first-rate legal services and are in possession of comprehensive industry knowledge and good business sense, enabling them to provide strong support and professional service for all the relevant participants. Our lawyers use Chinese and English as their working languages and therefore can communicate smoothly with both domestic and foreign clients, which is helpful for clients to realize their business goals.

**The legal services provided by JunHe in real estate equity merger projects include:**

- **Proposing transaction schemes:** assisting clients with an analysis of the pros and cons of different transaction schemes and paths, and determining the final transaction scheme and path;
- **Conducting due diligence investigations:** conducting legal due diligence investigations on target companies and the real estate properties, and issuing DD reports;
- **Preparing transaction documents and participating in business negotiations:** drafting, reviewing, and modifying various transaction documents (e.g., master investment agreements, share transfer agreements, joint venture contracts, articles of association, etc.) and carrying out negotiations with counterparties on behalf of clients;
- **Providing legal advice and/or issuing legal opinions:** providing legal advice and opinions on PRC law-related issues involved in projects and upon request by clients, issuing special legal opinions;
- **Assisting in closing:** assisting clients in procedures such as the necessary filings for share transfer.

### Selected Deals

#### The Sale of Partial Stakes in Xix Raffles City of CapitaLand in China

In 2021, JunHe represented CapitaLand in its successful sale to Ping An Life Insurance of partial stakes in Raffles City Shanghai, Raffles City Changning (Shanghai), Raffles City Beijing, Raffles City Ningbo, Raffles City Chengdu and Raffles City Hangzhou. CapitaLand continued the operation and asset management of these six Raffles City projects. The total assets value of these Raffles City projects was RMB 46.7 billion, and the total amount of investment by Ping An Life Insurance was around RMB 33 billion. JunHe provided whole process legal services for this project including designing the transaction structure, undertaking the early-stage negotiations on the cooperation framework, drafting, and negotiating the transaction documents, undertaking anti-monopoly notifications and assisting in the closing.

JunHe, founded in Beijing in 1989, is one of the first private partnership law firms in China. Since its establishment, JunHe has grown to be one of the largest and most recognized Chinese law firms. The firm has twelve offices around the world and a team comprised of more than 1070 professionals, including over 320 partners and legal counsel, as well as over 750 associates and legal translators.



(JunHe) Represents both SOEs and private firms. Leverages its solid corporate law expertise and collaboration across departments to provide a one-stop service.

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**The Establishment of a Real Estate Fund by Sponsorship by China Life Capital to Invest in the Largest Urban Renewal Project within the Inner Ring of Shanghai**

JunHe represented China Life Capital in its establishment of a real estate fund and its acquisition of an interest in the business and office properties of Ruihong New City, by acquiring equity interest in Shanghai Ruihong New City Co., Ltd., a subsidiary of Shui On Land. The said interest in the business and office properties of Ruihong New City was successfully separated from that in the residential properties owned by the same project company. The transaction price was around RMB 4 billion. JunHe participated in all the negotiations, drafted, and completed all the documents in relation to the establishment of the fund and the acquisition of the project, and provided legal services including assisting in the fund filing and the closing of the project.

**The Acquisition by Gaw Capital Partners of Pacific Century Place**

JunHe represented Gaw Capital Partners, a private equity real estate fund, in its indirect acquisition of Pacific Century Place, a Beijing landmark, as well as its China onshore project company, by acquiring a 100% equity interest in its offshore holding company. The transaction price amounted to over USD 900 million. JunHe was involved throughout the transaction process, acting as the sole onshore legal counsel. The firm conducted due diligence investigations on the project company and the property of Pacific Century Place, participated in negotiations, drafted transaction documents, assisted in closing and provided several other legal services.

**Chow Tai Fook's Acquisition of a Series of Onshore Properties**

JunHe represented Chow Tai Fook in their multiple investment and acquisition projects in China (with a total transaction amount of over RMB 6 billion), including acquiring the Four Seasons Hotel property in Puxi, Shanghai, a business-residence-office complex in Huangdao, Qingdao and a residential property in Shanghai. JunHe provided a range of legal services for Chow Tai Fook including due diligence investigations, designing transaction structures, drafting, and negotiating relevant transaction documents and assisting in closing.

**The Acquisition of Onshore Real Estate Properties by Morgan Stanley**

JunHe represented Morgan Stanley Real Estate Investment Fund in its investment and acquisition of real estate properties in multiple cities in China (including Haikou, Bengbu, Haining, Zhangjiagang, Wuxi, Qidong, Wujiang, Nanjing, Jiangyin, Zhengzhou, Xuzhou and Huzhou). Services provided included due diligence investigations, designing transaction structures, drafting, and negotiating transaction documents and assisting in closing.

**The Acquisition of East Ocean Center by Sino-Ocean Land**

Covering a gross floor area of more than 60,000 square meters, East Ocean Center is located in the business district of People's Square, a core area of Shanghai. The transaction price was over RMB 2 billion. It was the first time Sino-Ocean Land obtained quality commercial real estate in the heart of a first-tier city via acquisition. JunHe provided legal services including due diligence investigations, drafting transaction documents and negotiations, and also offered the client practicable advice and opinions on all aspects, from the transaction scheme to the control of transaction-related risks.

**JD's Acquisition of a Warehouse Logistics Project in Hefei, Anhui**

In 2021, JunHe assisted JD in its acquisition of 70% equity in the company possessing Phase I of Zhongzhihuan Intelligent Logistics Harbor's warehousing project located in Hefei, Anhui from Zhongzhihuan Group. JunHe also assisted JD in joint development of Phase II of Zhonghuan logistics headquarters base with Zhongzhihuan Group. JunHe acted as the legal advisor of JD and provided whole process legal services which included undertaking legal due diligence investigation on the properties, designing the transaction scheme, amending, and negotiating the investment framework agreement, drafting and negotiating other transaction documents, and assisting in the closing.

Law Firms of the Year -  
M&A (Inbound & Domestic), M&A  
(Outbound)  
2021, 2020  
*China Business Law Awards*

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PRC Firm of the Year - Real Estate  
2018, 2017  
*China Law & Practice Awards*

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Real Estate Property Deal of the Year -  
COFCO's Acquisition of and Investment  
into Parkview  
2014  
*ALB Hong Kong Law Awards*

JunHe's real estate and construction team is one of China's premier legal service providers in the sector. The real estate and construction team is committed to providing quality services to clients who are both looking to expand their businesses and invest in China's real estate market, and those clients with businesses in the area of construction. In a commercial and regulatory environment that is complex, evolving and often local, we make every effort to deliver clear professional legal solutions. Our solutions are designed to be acceptable to the authorities, thereby meeting our clients' commercial needs and assisting them in accomplishing their business goals.